GOVERNMENT OF INDIA
SMALL SCALE INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:1354
ANSWERED ON:26.02.2003
IMPACT OF MNCS ON SSI
T.T.V. DHINAKARAN

Will the Minister of SMALL SCALE INDUSTRIES be pleased to state:

(a) whether any survey has been conducted to assess the impact of MNCs on the Small Scale Industries sector in the recent years;

(b) if so, the details thereof; and

(c) the steps taken to protect domestic SSI units from the competition of MNCs?

Answer

MINISTER OF SMALL SCALE INDUSTRIES AND MINISTER OF DEVELOPMENT OF NORTH EASTERN REGION (D THAKUR)

(a) & (b): No, Sir.

(c): In accordance with the Industries (Development and Regulation), Act, 1951, non non-Small Scale Industry (SSI), which include MNCs, can manufacture an item reserved for the SSI Sector until and unless it undertakes to export a minimum of 50% of its production. In addition, Government have put in place a series of measures to strengthen the SSIs to enhance their competitiveness, both domestically and globally, which inter-alia include easier access to credit, marketing support, improved infrastructure and support for technological upgradation.